

Plaquemines Community C.A.R.E.
Centers Foundation, Inc.

Audit of Financial Statements
December 31, 2013

Plaquemines Community C.A.R.E Centers Foundation, Inc.
Plaquemines, Louisiana

Financial Statements
December 31, 2013

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Independent Auditor's Report

Board of Directors
Plaquemines Community C.A.R.E. Centers Foundation Inc.

Report on the Financial Statements

We have audited the accompanying statement of financial position of Plaquemines Community C.A.R.E. Centers Foundation Inc. as of December 31, 2013, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements. The prior year summarized comparative information has been derived from Plaquemines Community C.A.R.E. Centers Foundation Inc.'s 2012 financial statements and, in our report dated August 7, 2013; we expressed an unqualified opinion on those financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness

of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Plaquemines Community C.A.R.E. Centers Foundation Inc. as of December 31, 2013, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Revenue and Expenditures with regard to Federal Program – Temporary Assistance for Needy Families (TANF) CFDA 93.558 Passed through Court Appointed Special Advocates (CASA of Plaquemines) is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Both the Schedule of Revenue and Expenditures with regard to Federal Program – Temporary Assistance for Needy Families (TANF) CFDA 93.558 Passed through Court Appointed Special Advocates (CASA of Plaquemines) and The Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, both the Schedule of Revenue and Expenditures with regard to Federal Program – Temporary Assistance for Needy Families (TANF) CFDA 93.558 Passed through Court Appointed Special Advocates (CASA of Plaquemines) and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the financial statements as a whole.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2013 on our consideration of Plaquemines Community C.A.R.E. Centers Foundation Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Taylor & Willis CPAs LLC

Taylor & Willis CPAs LLC
Metairie, LA

June 23, 2014

Plaquemines Community C.A.R.E. Centers Foundation Inc.
Statement of Financial Position
December 31, 2013
With Comparative Totals As Of December 31, 2012

ASSETS		
	<u>2013</u>	<u>2012</u>
Current Assets		
Cash	\$ 139,395	\$ 28,425
Grants Receivable (see note 2h,3)	144,359	325,058
Prepaid Expenses	8,259	4,619
Total Current Assets	<u>292,013</u>	<u>358,102</u>
Land, Buildings, Property and Equipment - net (see note 4)	<u>441,394</u>	<u>414,921</u>
Total Assets	<u><u>\$ 733,407</u></u>	<u><u>\$ 773,023</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	\$ 14,180	\$ 16,159
Accrued Expenses	138	166
Accrued Payroll Liabilites (see note 2n)	37,436	39,414
Current Portion of Long Term Debt (see note 9)	<u>56,936</u>	<u>53,449</u>
Total Current Liabilities	108,690	109,188
Long Term Liabilities - net of current maturities (see note 9)	<u>104,074</u>	<u>161,343</u>
Total Liabilities	<u>212,764</u>	<u>270,531</u>
Net Assets		
Temporarily Restricted	-	39,666
Unrestricted (see note 2d)	<u>520,643</u>	<u>462,826</u>
Total Net Assets	520,643	502,492
Total Liabilities and Net Assets	<u><u>\$ 733,407</u></u>	<u><u>\$ 773,023</u></u>

The accompanying notes are an integral part of these financial statements.

Plaquemines Community C.A.R.E. Centers Foundation Inc.
Statement of Activities
For The Year Ended December 31, 2013
With Comparative Totals For The Year Ended December 31, 2012

	2013			2012		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Public Support, Grant Revenue and other Support:						
Direct Governmental Grants	\$ 1,118,774		\$ 1,118,774	\$ 717,433	\$ -	\$ 717,433
Contributions / Donations	149,752		149,752	327,199	-	327,199
Program Income	13,821		13,821	2,565	-	2,565
Fundraising	9,494		9,494	-	-	-
Net Assets Released from Restrictions	39,666	(39,666)	-	66,853	(66,853)	-
Total Public Support, Grant Revenue and other Support:	1,331,507	(39,666)	1,291,841	1,114,050	(66,853)	1,047,197
Expenses:						
Program Expenses:						
Counseling Services	870,164	-	870,164	695,663	-	695,663
Tutoring Services	4,622	-	4,622	5,832	-	5,832
Advocacy	190,589	-	190,589	180,576	-	180,576
Management and General	216,978	-	216,978	176,903	-	176,903
Total Operating Expenses	1,282,353	-	1,282,353	1,058,974	-	1,058,974
Increase / (Decrease) in Net Assets from Operations	49,154	(39,666)	9,488	55,076	(66,853)	(11,777)
Other Changes:						
Insurance Proceeds	8,663		8,663	15,360		15,360
Increase / (Decrease) in Net Assets	57,817	(39,666)	18,151	70,436	(66,853)	3,583
Net assets at beginning of year	462,826	39,666	502,492	392,390	106,519	498,909
Net assets at end of year	<u>\$ 520,643</u>	<u>\$ -</u>	<u>\$ 520,643</u>	<u>\$ 462,826</u>	<u>\$ 39,666</u>	<u>\$ 502,492</u>

The accompanying notes are an integral part of these financial statements.

Plaquemines Community C.A.R.E. Centers Foundation Inc.
Statement of Cash Flows
For the Year Ended December 31, 2013
With Comparative Totals For The Year Ended December 31, 2012

	<u>2013</u>	<u>2012</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
Increase / (Decrease) in net assets	\$ 18,151	\$ 3,583
Adjustments to reconcile increase / (decrease) in net assets to net cash provided by operations:		
(Increase) / Decrease in operating assets:		
Depreciation	17,638	16,670
Grant Funds Receivable	180,699	(79,696)
Prepaid Expenses	(1,181)	1,459
Miscellaneous Receivables	(2,459)	752
Increase / (Decrease) in operating liabilities:		
Accounts Payable	(7,392)	(1,529)
Accrued Expenses	(141)	(7,154)
Accrued Payroll Liabilities	3,547	4,229
NET CASH USED BY OPERATING ACTIVITIES	<u>208,862</u>	<u>(61,686)</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property and Equipment	<u>(44,110)</u>	<u>(1,214)</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>(44,110)</u>	<u>(1,214)</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
Increase / (Decrease) in long term liabilities:		
Notes Payable	-	-
Payments on long-term debt	<u>(53,782)</u>	<u>(54,468)</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>(53,782)</u>	<u>(54,468)</u>
Increase (Decrease) in Cash and Cash Equivalents	110,970	(117,368)
Beginning Cash and Cash Equivalents	<u>28,425</u>	<u>145,793</u>
Ending Cash and Cash Equivalents	<u><u>\$ 139,395</u></u>	<u><u>\$ 28,425</u></u>

The accompanying notes are an integral part of these financial statements.

Plaquemines Community C.A.R.E. Centers Foundation Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2013
With Comparative Totals For The Year Ended December 31, 2012

					Totals	
	Counseling	Tutoring	Advocacy	Management & General	2013	2012
Payroll Expenses	\$ 437,202	\$ -	\$ 136,130	\$ 180,714	\$ 754,046	\$ 692,668
Contract Services	264,114	1,995	20,064	17,574	303,747	182,258
Facilities and Equipment	58,346	1,270	15,338	8,042	82,996	86,540
Operations	62,340	1,357	16,388	8,593	88,678	70,659
Miscellaneous Expenses	-	-	-	250	250	96
Travel and Meetings	48,162	-	2,669	1,805	52,636	26,753
	<u>\$ 870,164</u>	<u>\$ 4,622</u>	<u>\$ 190,589</u>	<u>\$ 216,978</u>	<u>\$ 1,282,353</u>	<u>\$ 1,058,974</u>

The accompanying notes are an integral part of these financial statements.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2013

Note 1 – Description of Organization

a. Nature of Organization and Programs

Plaquemines Community C.A.R.E. Center Foundation, Inc. (the “Organization”), is recognized as a section 501(c) (3) charitable organization by the Internal Revenue Service. The Organization is organized solely and exclusively for charitable purposes including, but not limited to, the assistance of the residents of Plaquemines Parish. The Organization impacts lives through three primary service areas:

- First, the Organization counsels: children and adults suffering emotional, mental health, and/or behavioral challenges and their families; parents, including those going through a divorce; victims of abuse (child abuse, sexual abuse, physical abuse, disabled persons abuse, elder abuse, and domestic violence); for adults and adolescents with substance abuse issues; perpetrators of domestic abuse; and residents in need of anger management assistance as deemed necessary by the Plaquemines Parish Judicial System.
- The second program is the tutoring of adolescents deemed to be high risk. A child may be deemed a high risk adolescent under a few circumstances including: at least one parent has been incarcerated; the child has been seen by the Louisiana Department of Children and Family Services (DCFS) or has been through a Families in Need of Services (FINS) program; or is a child who suffers from a disability. These adolescents are typically referred to the Organization by either a school or a component of the judicial system.
- The third program provides for the advocacy of children through CASA (Court Appointed Special Advocates) of Plaquemines (CASA). CASA provides adult volunteers who are trained to advocate for abused and neglected children from Plaquemines Parish who have been removed from their homes. Advocacy is provided to children who have been sexually abused, along with their non-offending family members, through our Plaquemines Children’s Advocacy Center. Advocacy was also provided to residents of Plaquemines Parish who were impacted by Hurricane Isaac, through the Louisiana Spirit Program. Advocacy is also provided by a community health worker who assists residents with referrals to outside agencies.

General and administrative activities include the functions necessary to provide support for the Organization’s program activities. General and administrative activities include those that provide governance (Board of Directors), oversight, business management, financial record keeping, budgeting, legal services, human resource management, and similar activities that ensure an adequate working environment and an equitable employment program.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2013

Note 2 – Significant Accounting Policies

The organization prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for NFPs. The significant accounting and reporting policies used by the organization are described subsequently to enhance the usefulness and understandability of the financial statements.

a. Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, the organization's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. The organization's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

b. Basis of Presentation

Financial statement presentation follow the recommendations of the FASB ASC Topic 958, formerly SFAS No. 117, Financial Statements of Not-for-Profit Organizations. Under FASB ASC Topic 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

c. Net Assets

The financial statements report net assets and changes in net assets in three classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

d. Unrestricted Net Assets

Unrestricted net assets are resources available to support operations. The only limits on the use of unrestricted net assets are the broad limits resulting for the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2013

e. Temporarily Restricted Net Assets

Temporarily restricted net assets are resources that are restricted by a donor for use for a particular purpose or in a particular future period. The organization's unspent contributions are classified in this class if the donor limited their use, as are the unspent appreciation of its donor-restricted endowment funds.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from temporarily restricted to unrestricted net assets. Net assets restricted for acquisition of buildings or equipment (or less commonly, the contribution of those assets directly) are reported as temporarily restricted until the specified asset is placed in service by the organization, unless the donor provides more specific directions about the period of its use.

f. Permanently Restricted Net Assets

Permanently restricted net assets are resources whose use by the organization is limited by donor-imposed restrictions that neither expire by being used in accordance with a donor's restriction nor by the passage of time. The portion of the organization's donor-restricted endowment funds that must be maintained in perpetuity are classified in this net asset class, as is the organization's beneficial interest in a perpetual charitable trust held by a bank trustee.

All revenues and net gains are reported as increases in unrestricted net assets in the statement of activities unless the use of the related resources is subject to temporary or permanent donor restrictions. All expenses and net losses other than losses on endowment investments are reported as decreases in unrestricted net assets. Net losses on endowment investments reduce temporarily restricted net assets to the extent that net gains of the fund from prior years are unspent and classified there; remaining losses are classified as decreases in unrestricted net assets. If an endowment fund has no net gains from prior years, such as when a fund is newly established, net losses are classified as decreases in unrestricted net assets.

g. Cash Equivalents

Cash equivalents are short term, interest bearing, highly liquid investments with original maturities of three months or less, unless the investments are held for meeting restrictions of a capital or endowment nature.

h. Grants Receivable

Grants receivable consists of amounts due from the State of Louisiana, pass-through governmental agencies, pass-through non-governmental organizations and independent non-governmental organizations for grants and cost reimbursement programs. These amounts are presented at fair value and management estimates that all are collectable.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2013

i. Donated Assets and Services

The organization records noncash donations as contributions at their estimated fair value at the date of the donation. No such contributions were received for the years ended December 31, 2013 and 2012. Unpaid officers and board members conduct significant portions of the Organization's functions. The value of this contributed time is not recorded or reflected in the accompanying financial statements, as they do not create nonfinancial assets, nor are they specialized services as described in SFAS No. 116.

j. Property and Equipment

Property and equipment are recorded at cost and reported net of depreciation. Depreciation is provided over five years for computer equipment and over seven years for furniture using the straight-line basis. Donations of property and equipment are recorded at estimated fair market value on the date of donation. These assets are recorded as unrestricted net assets unless the donor imposes a restriction. Costs incurred for repairs and maintenance are expensed as incurred. No restrictions have been placed on assets donated to the agency.

k. Grant Revenue

Grant revenue is recognized when the qualifying costs are incurred for cost-reimbursement grants or contracts or when a unit of service is provided for performance grants. Grant revenue from federal agencies is subject to independent audit under the Office of Management and Budget Circular A-133 and review by grantor agencies. The review could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds. Based on prior experience, the organization's management believes that costs ultimately disallowed, if any, would not materially affect the financial position of the organization.

l. Expense Recognition and Allocation

The cost of providing the organization's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited.

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the organization.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2013

Expense Recognition and Allocation (cont.)

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The organization generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgements contain requests for contributions, joint costs have been allocated between fundraising and management and general expenses in accordance with standards for accounting for costs of activities that include fundraising. Additionally, advertising costs are expensed as incurred.

m. Tax Status

The organization is incorporated exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code (IRC) and R.S. 12:201 of Louisiana statutes, though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRC). The tax years ending 2011, 2012, and 2013 are still open to audit for both federal and state purposes. Contributions to the organization are tax deductible to donors under Section 170 of the IRC. The organization is not classified as a private foundation. Additionally, the Organization had no unrelated trade or business income for the periods ended December 31, 2013 and 2012.

n. Accrued Compensated Absences

The Organization accrues compensated absences for vacation and sick leave. The policies are as follows:

Vacation Pay – Employees earn vacation based on the number of years of employment as shown in the below schedule. Employees are not eligible to use earned time for the first 90 days of employment. Once an employee reaches the maximum earning ceiling -- that is, the maximum number of days available to an employee -- as shown in the below schedule the employee stops earning vacation time until the employee's vacation time available falls below the applicable earning ceiling. Employees may not “draw” upon future earnings of days at any time.

Day One through Year Two of Continuous Employment: Employees earn vacation time at the rate of one day per month up to a maximum earning ceiling of 12 days.

Year Three (3) Through Year Seven (7) of Continuous Employment: Employees earn at a rate of 1 1/2 days per month up to a maximum earning ceiling of 18 days.

Years Eight (8) and Beyond of Continuous Employment: Employees earn at a rate of two days per month up to a maximum earning ceiling of 24 days.

Anyone employed after the fifteenth day of any month will begin the above award/earnings on the first day of the following month. Any employee who separates after the fifteenth day of any month shall earn vacation leave for that month in accordance with above schedule and limits.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2013

Accrued Compensated Absences (cont.)

Sick Leave - Sick leave is available for benefit-eligible employees on the first day of the month following completion of 90 days active employment and will be pro-rated from the beginning of the first full month following the date of hire. Beginning January 1st of the calendar year following the benefit-eligible employee's date of employment, a maximum of 96 hours of sick leave will be available for that calendar year. An additional 64 hours may be carried over from a previous year however at no time may the total exceed 160 hours. Sick leave is not a wage or vested benefit and no payment for unused time is due if an employee's employment is voluntarily or involuntarily terminated during the year.

o. Functional Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. The Organization's policy is to charge costs to the specific programs and supporting services benefited. Accordingly, expenses specifically identifiable to a function are charged directly to that function. Management and general expenses include those expenses that are not directly identifiable with any specific function but provide for the overall support and direction of the Organization.

p. Revenue Recognition of Contributions

The Organization records contributions it receives as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. The Organization receives contributions in the form of "grants" and as cash and noncash donations.

In cases where the contribution is received with a donor restriction, the Organization will record an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends, or when the purpose of the restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2013

q. Revenue Recognition of Program Service Fees

The organization also receives program service fees in exchange for services provided. Program service fees are earned based upon providing counseling, substance abuse education, parenting education or counseling, or anger management education for persons the Plaquemines Parish Judicial System deems necessary at pre-established rates or contracted amounts and are recognized as unrestricted revenue in the period when the services were provided.

r. Receivables from Program Service Fees

Receivables from program service fees are stated at the amount that management expects to collect. To reduce receivables to an amount management expects to collect, management uses a valuation allowance referred to as an allowance for doubtful accounts, management assesses the credit history it has with the persons or agencies that have agreed to pay or reimburse the Organization after the Organization has rendered services or performed in accordance with a contract. Management will also review its aging of past due receivables and consider what was collected after year-end. Receivables are considered past due or delinquent based on the terms of each individual contract or agreement. Normally, accounts not paid within 60 days of billing are considered delinquent by management. However, at year-end, there are no accounts receivable, thus no allowance for bad debts was provided. The Organization's management does not charge any interest on past-due accounts nor does it require any person or agency to furnish any collateral before the Organization performs services.

Note 3 – Grants Receivable

The detail of Grants Receivable at December 31, 2013 and 2012 is as follows:

	2013	2012
Plaquemines Parish Government	\$ 49,250	\$ 98,500
Plaquemines Families In Need of Services	40,200	80,400
Metropolitan Human Services District	19,912	87,492
Gulf Outreach Program	8,626	0
VOCA	8,117	5,633
Behavioral Health Liaison	5,835	14,488
CASA	4,010	3,562
Children's Trust Fund	3,276	2,126
Plaquemines Parish District Attorney's Office	3,000	6,000
Magellan/Medicaid	855	0
Plaquemine's Parish Sheriff's Office	665	665
Louisiana Safety & Supportive School Initiative	613	600
Catholic Charities	0	25,011
United Way	0	581
	<u>\$ 144,359</u>	<u>\$ 325,058</u>

Plaquemines Community C.A.R.E. Centers Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2013

Note 3 – Grants Receivable (cont.)

These receivables, if not collected, would have a material impact on net assets. The Organization has not experienced any losses in prior contract history and believes it is not exposed to any significant risk to the receivables.

Note 4 – Property and Equipment

Investment in property and equipment, at cost, activity for the year ended December 31, 2013 follows:

	Beginning Balance 12/31/2012	Increases	Decreases	Ending Balance 12/31/2013
Land	\$ 75,000			\$ 75,000
Buildings	332,056	23,150		355,206
Computers and Equipment	32,198	20,348		52,546
Furniture and Fixtures	12,829	612		13,441
 Total	 452,083	 44,110	 -	 496,193
Less:				
Accumulated Depreciation	(37,162)	17,638		(54,800)
 Property and Equipment, Net	 \$ 414,921			 \$ 441,394

Depreciation expense was \$17,638 and \$16,670 for the years ended December 31, 2013 and 2012 respectively.

Note 5 – Contingencies – Grant Programs

The Organization participates in a number of state and federal grant programs, which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Organization has not complied with the rules and regulations governing the grants, refunds of any money received and the collectability of any related receivable at year end may be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rule and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and the Organization.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2013

Note 6 – Economic Dependency

For the year ended December 31, 2013: The Organization received 86.03% of its total revenue from state and local governments in the form of grants and cost reimbursement agreements. Grants and cost reimbursement agreements are approved each year by the respective government agencies. If significant budget cuts are made at the state and/or local level, the amount of funds the Organization receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of governmental funds the Organization will receive in fiscal year 2014 relating to its usual sources of grant and cost reimbursement agreements.

For the year ended December 31, 2012: The Organization received 65.94% of its total revenue from state and local governments in the form of grants and cost reimbursement agreements.

Note 7 – Third Party Revenues

A substantial share of contract revenues for services to clients is derived under a state third-party reimbursement program. These revenues are based, in part, on cost reimbursement principles and are not subject to adjustments by the respective third-party providers. Retroactive adjustments, if any would not be material to the financial position or results of operations of the Organization.

Note 8 – Operating Lease Commitments

The organization leases two copy machines. The term of the lease is sixty months beginning July 15, 2011. The total lease expense attributed to the copy machines was \$5,102 and \$5,302 for the years ended December 31, 2013 and 2012 respectively. Future Minimum Lease Payments for the copy machines are as follows:

2014	\$5,102
2015	\$5,102
2016	<u>\$5,102</u>
Total	<u>\$15,306</u>

Plaquemines Community C.A.R.E. Centers Foundation, Inc.
Notes to Financial Statements
For the Year Ended December 31, 2013

Note 9 – Long-Term Debt and Interest

Long-term debt consists of the following instruments:

	2013
Note Payable to Mississippi River Bank: Interest rate 6.25%; due September 2, 2016; secured by property	\$ 161,010
Total Long-Term Debt	161,010
Current Portion of Long-Term Debt	56,936
Total Long-Term Debt at December 31, 2013	\$ 104,074

The Maturity of debt reported above is summarized as follows:

<i>Year Ended December 31,</i>	<i>Principle Amount Due</i>
2014	103,798
2015	42,838
2016	0

Interest expense was \$12,014 and \$16,812 for the years ended December 31, 2013 and 2012 respectively.

Note 10 – Related Party Transactions

During 2013, the organization transacted with the sister-in- law of a Board member of the Plaquemines Community C.A.R.E. Centers Foundation, Inc. Her services primarily consisted of processing A/P invoices and the issuance of checks in payment of those invoices along with employee reimbursements for mileage and expenses. She would work approximately two (2) days per week to accomplish the above tasks. She also compiled employee timesheets in an excel database to be sorted and summarized for clinician analysis purposes by the Program Director. At December 31, 2013, she no longer performed this service for the CARE Center. She was paid \$555 during the year ended December 31, 2013.

During 2013, the Organization contracted with the mother-in-law of the Organization's Executive Director. She was contracted to assist in administering the LA Spirit grant, specifically working alongside the Financial Controller, and under the supervision of the Organization's Program Director. Her employment was for a finite term, within the term of the LA Spirit Grant. She was paid \$20,436 during the year ended December 31, 2013.

Plaquemines Community C.A.R.E. Centers Foundation, Inc.

Notes to Financial Statements

For the Year Ended December 31, 2013

Note 11 – Subsequent Events

Subsequent events have been evaluated through June 23, 2014, which is the date the financial statements were issued and determined that no events occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Plaquemines Community C.A.R.E. Centers Foundation Inc.
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2013

Federal Grantor / Pass-through Agency / Program Title	Federal CFDA Number	Federal Expenditures
U.S. Department of Homeland Security		
Passed through Metropolitan Human Services District Crisis Counseling	97.032	541,984
U.S. Department of Justice		
Passed through Louisiana Commission on Law Enforcement (LCLE) Crime Victim Assistance	16.575	21,467
U.S. Department of Health and Human Services		
Passed through Court Appointed Special Advocates (CASA of Plaquemines) Temporary Assistance for Needy Families	93.558	\$ <u>12,116</u>
Total Expenditures of Federal Awards		\$ <u><u>575,567</u></u>

Plaquemines Community C.A.R.E. Centers Foundation Inc.
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2013

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Plaquemines Community C.A.R.E. Centers Foundation Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Note 2 – Summary of Significant Accounting Policies

Method of Accounting

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122 *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Plaquemines Community C.A.R.E. Centers Foundation Inc.

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Plaquemines Community C.A.R.E. Centers Foundation Inc., which comprise the statement of financial position as of December 31, 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated June 23, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Plaquemines Community C.A.R.E. Centers Foundation Inc. 's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Plaquemines Community C.A.R.E. Centers Foundation Inc. 's internal control. Accordingly, we do not express an opinion on the effectiveness of Plaquemines Community C.A.R.E. Centers Foundation Inc. 's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Plaquemines Community C.A.R.E. Centers Foundation Inc. 's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Taylor & Willis CPAs LLC

Taylor & Willis CPAs LLC
Metairie, LA

June 23, 2014



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Directors
Plaquemines Community C.A.R.E. Centers Foundation Inc.

Report on Compliance for Each Major Federal Program

We have audited Plaquemines Community C.A.R.E. Centers Foundation Inc. 's compliance with the types of compliance requirements described in *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Plaquemines Community C.A.R.E. Centers Foundation Inc. 's major federal programs for the year ended December 31, 2013. Plaquemines Community C.A.R.E. Centers Foundation Inc. 's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Plaquemines Community C.A.R.E. Centers Foundation Inc. 's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Plaquemines Community C.A.R.E. Centers Foundation Inc. 's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Plaquemines Community C.A.R.E. Centers Foundation Inc. 's compliance.

Opinion on Each Major Federal Program

In our opinion, Plaquemines Community C.A.R.E. Centers Foundation Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

Report on Internal Control over Compliance

Management of Plaquemines Community C.A.R.E. Centers Foundation Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Plaquemines Community C.A.R.E. Centers Foundation Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Plaquemines Community C.A.R.E. Centers Foundation Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. It is intended solely for the information and use of the Board of Directors, management, federal awarding agencies and pass-through entities and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor for the State of Louisiana as a public document.

Taylor & Willis CPAs LLC

Taylor & Willis CPAs LLC
Metairie, LA

June 23, 2014

Plaquemines Community C.A.R.E. Centers Foundation Inc.
 Schedule of Revenue and Expenditures
 Federal Program - Temporary Assistance for Needy Families (TANF) CFDA 93.558
 Passed through Court Appointed Special Advocates (CASA of Plaquemines)
For The Year Ended December 31, 2013

Revenue		
Government Contracts	\$	11,740
Total Revenue		11,740
Expenditures:		
Payroll Expenditures		1,309
Contract Services		9,296
Facilities and Equipment		236
Operations		810
Travel and Meetings		465
Total Expenditures		12,116
Increase / (Decrease) in Net Assets		(376)

PLAQUEMINES COMMUNITY C.A.R.E. CENTERS FOUNDATION INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013

SECTION 1 - SUMMARY OF AUDITOR'S RESULTS:

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

* Significant deficiencies identified that are not ___yes X no
 considered to be material weaknesses?

* Material weakness(es) identified? ___yes X none reported

Noncompliance material to financial statements noted? ___yes X no

Management Letter

Was a Management Letter Issued? ___yes X no

Federal Awards

Internal control over major programs:

* Significant deficiencies identified that are not ___yes X no
 considered to be material weaknesses?

* Material weakness(es) identified? ___yes X none reported

Type of auditor's report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in
accordance with section 510(a) of Circular A-133: ___yes X no

Identification of major programs:

<u>Name of Program</u>	<u>CFDA No.</u>
Crisis Counseling (U.S. Dept. of Homeland Security passed through MHSD)	97.032
Crime Victim Assistance (DOJ passed through LCLE)	16.575

Dollar threshold used to distinguish between Type A and Type B programs: \$ 300,000

Auditee qualified as low-risk auditee? ___yes X no

PLAQUEMINES COMMUNITY C.A.R.E. CENTERS FOUNDATION INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013

CURRENT YEAR (6/30/2013)

SECTION II: FINDINGS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE
WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS:

Internal Control Over Financial Reporting

There were no findings noted during the audit for the year ended December 31, 2013 related to internal control over financial reporting.

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit for the year ended December 31, 2013

SECTION III: FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS:

Internal Control Over Financial Reporting

There were no findings noted during the audit for the year ended December 31, 2013 related to internal control over financial reporting.

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit for the year ended December 31, 2013



PLAQUEMINES COMMUNITY C.A.R.E. CENTERS FOUNDATION, INC.

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A United Way Partner

Summary Schedule of Prior Year Findings

June 23, 2014

Compliance and Other Matters

Finding: 2012-1 Audited financial statements for the year ended December 31, 2012 were not filed with the Louisiana Legislative Auditor's office within six months of the Organization's year end. (Initial Year Reported: 2008)

Status: We have processes which now allow us to finalize our financial information in a manner that will allow for the audit to be completed and submitted before the deadline.

Julie Olsen
Executive Director
Plaquemines Community C.A.R.E. Centers Foundation, Inc.